

AMENDED IN SENATE MAY 10, 2010

SENATE BILL

No. 1005

Introduced by Senator Cox

February 10, 2010

An act to amend *and repeal* Section 32132.5 of the Health and Safety Code, relating to health care districts.

LEGISLATIVE COUNSEL'S DIGEST

SB 1005, as amended, Cox. Public contracts: health care districts: design-build.

Existing law provides for local health care districts which govern certain health care facilities. Each health care district has specific duties and powers respecting the creation, administration, and maintenance of the districts, including to purchase, receive, take, hold, lease, use, and enjoy property of every kind and description of property within the district. ~~Existing law establishes design-build bidding procedures for the award of construction contracts that, if adopted by a county, require the submission of information under penalty of perjury.~~

Existing law permits the Sonoma Valley Health Care District, upon the approval of its board of directors, to use a design-build procedure when assigning contracts for the construction of a building and improvements directly related to a hospital or health facility building at the Sonoma Valley Hospital.

This bill would allow ~~a health care district~~ *the Tahoe Forest Health Care District and a health care district authorized by the Office of Statewide Health Planning and Development*, upon approval of ~~its~~ *the district's* board of directors, to use the design-build procedure to assign contracts for the construction of a hospital or health facility building.

This bill would repeal the above-described health care district authorization on January 1, 2016.

~~This bill would require specified information to be verified under oath, thus imposing a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~yes~~*no*.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) Utilizing a design-build contract requires a clear
4 understanding of the roles and responsibilities of each participant
5 in the process.

6 (b) Cost benefits for health care districts are achieved by shifting
7 liability and risk for cost containment and project completion to
8 the design-build entity.

9 (c) It is the intent of the Legislature that the design-build process
10 be used by health care districts solely for buildings associated with
11 hospitals and health care and not for other infrastructure, including,
12 but not limited to, street, highways, public rail transit, roads,
13 bridges, other water resources facilities, and related infrastructure.

14 ~~SEC. 2. Section 32132.5 of the Health and Safety Code is~~
15 ~~amended to read:~~

16 ~~32132.5. (a) Notwithstanding Section 32132 or any other~~
17 ~~provision of law, upon approval by its board of directors, a health~~
18 ~~care district may use the design-build procedure described in~~
19 ~~Section 20133 of the Public Contract Code to assign contracts for~~
20 ~~the construction of a hospital or health facility building.~~

21 ~~(b) For purposes of this section, all references in Section 20133~~
22 ~~of the Public Contract Code to “county” and “board of supervisors”~~
23 ~~shall mean the health care district and its board of directors.~~

24 ~~(c) A hospital building project utilizing the design-build process~~
25 ~~authorized by subdivision (a) shall be reviewed and inspected in~~
26 ~~accordance with the standards and requirements of the Alfred E.~~

1 Alquist Hospital Facilities Seismic Safety Act of 1983 (Chapter 1
2 (commencing with Section 129675) of Part 7 of Division 107):

3 ~~(d) Except as provided in this section, this section shall not be~~
4 ~~construed to affect the application of any other law.~~

5 SEC. 3. ~~No reimbursement is required by this act pursuant to~~
6 ~~Section 6 of Article XIII B of the California Constitution because~~
7 ~~the only costs that may be incurred by a local agency or school~~
8 ~~district will be incurred because this act creates a new crime or~~
9 ~~infraction, eliminates a crime or infraction, or changes the penalty~~
10 ~~for a crime or infraction, within the meaning of Section 17556 of~~
11 ~~the Government Code, or changes the definition of a crime within~~
12 ~~the meaning of Section 6 of Article XIII B of the California~~
13 ~~Constitution.~~

14 SEC. 2. *Section 32132.5 of the Health and Safety Code is*
15 *amended to read:*

16 32132.5. (a) Notwithstanding Section 32132 or any other
17 provision of law, upon approval by the board of directors of the
18 Sonoma Valley Health Care District, the design-build procedure
19 described in Section 20133 of the Public Contract Code may be
20 used to assign contracts for the construction of a building or
21 improvements directly related to construction of a hospital or health
22 facility building at the Sonoma Valley Hospital.

23 ~~(b) For Hospital.~~ For purposes of this section subdivision, all
24 references in Section 20133 of the Public Contract Code to
25 “county” and “board of supervisors” shall mean the Sonoma Valley
26 Health Care District and its board of directors.

27 (b) Notwithstanding Section 32132 or any other provision of
28 law, upon approval by the board of directors of the Tahoe Forest
29 Health Care District, the design-build procedure described in
30 Section 20133 of the Public Contract Code may be used to assign
31 contracts for the construction of a building or improvements
32 directly related to construction of a hospital or health facility
33 building at the Tahoe Forest Hospital. For purposes of this
34 subdivision, all references in Section 20133 of the Public Contract
35 Code to “county” and “board of supervisors” shall mean the
36 Tahoe Forest Health Care District and its board of directors.

37 (c) Notwithstanding Section 32132 or any other provision of
38 law, the Office of Statewide Planning and Development may, upon
39 application by a health care district approved by the board of
40 directors of the health care district, authorize one health care

1 *district to use the design-build procedure described in Section*
2 *20133 of the Public Contract Code to assign contracts for the*
3 *construction of a building or improvements directly related to*
4 *construction of a hospital or health facility building within the*
5 *health care district, upon application by a health care district*
6 *approved by the board of directors of the health care district. For*
7 *purposes of this subdivision, all references in Section 20133 of the*
8 *Public Contract Code to “county” and “board of supervisors”*
9 *shall mean the health care district authorized pursuant to this*
10 *subdivision and its board of directors.*

11 ~~(e)~~
12 (d) A hospital building project utilizing the design-build process
13 authorized by subdivision (a), (b), or (c) shall be reviewed and
14 inspected in accordance with the standards and requirements of
15 the Alfred E. Alquist Hospital Facilities Seismic Safety Act of
16 1983 (Chapter 1 (commencing with Section 129675) of Part 7 of
17 Division 107).

18 (e) *This section shall remain in effect only until January 1, 2016,*
19 *and as of that date is repealed, unless a later enacted statute, that*
20 *is enacted before January 1, 2016, deletes or extends that date.*